



October 3, 2022

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Agreement for Program Management Consultant Services for the Interstate 405 Improvement Project from State Route 73 to Interstate 605

Overview

On December 10, 2012, the Orange County Transportation Authority Board of Directors selected Parsons Transportation Group, Inc., to provide program management consultant services for the design-build delivery of the Interstate 405 Improvement Project from State Route 73 to Interstate 605 for a term of six and a half years. An amendment to the existing agreement is needed to extend the term and provide additional services through the completion and closeout of the Interstate 405 Improvement Project.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 34 to Agreement No. C-2-1513 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., in the amount of \$5,367,969, for additional program management consultant services for the Interstate 405 Improvement Project from State Route 73 to Interstate 605, and to extend the term of the agreement for an additional 13 months through June 30, 2024. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$138,170,682.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans) and the cities of Costa Mesa, Fountain Valley, Huntington Beach, Seal Beach, and Westminster (Cities), is implementing the Interstate 405 (I-405) Improvement Project from State Route 73 (SR-73) to Interstate 605 (I-605) (Project). The Project will add one general purpose lane in each direction from Euclid Street to I-605, consistent with Measure M2 Project K, and will add an additional lane in each

direction that will combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.

On March 3, 2014, OCTA entered into an agreement with Parsons Transportation Group, Inc., (Parsons) to provide program management consultant (PMC) services to support OCTA in the implementation of the Project. These services include project management and administration, design services and preliminary project development, right-of-way (ROW) support services, design-build (DB) procurement, contracts and third-party agreements, oversight of tolling elements for the Project, and oversight of DB construction. The services involve extensive ongoing coordination and communications between all Project stakeholders while meeting the Project schedule, cost, and administrative requirements.

The current term of the PMC contract expires on May 31, 2023. The PMC contract needs to be extended to June 30, 2024, to provide additional support services to support the Project's revised construction substantial completion date of October 31, 2023, as well as assist with Project closeout, which will extend approximately eight months past the substantial completion date for a project of this magnitude. A significant portion of the cost increase is due to the extended time the PMC will be providing services on the Project beyond what was originally assumed in the prior level of effort (LOE) estimate. There have also been additional specific efforts requested and needed to support the Project which include:

- Additional PMC efforts to assist with the implementation of the back-office system and customer service center operations for the 405 Express Lanes. The PMC is assisting OCTA and the tolling contractor related to an accelerated schedule to meet operational dates for tolling, which includes accelerated development of software, systems, and technical requirements. This is being accomplished with added PMC staff efforts to provide support in numerous workshops and accelerated reviews to meet the Project schedule and minimize potential risks.
- OCTA is preparing to restore the former Sit 'n Sleep property located directly north of the I-405 freeway at Magnolia Street for leasing opportunities. The ground lease for this property was acquired during the ROW acquisition process for the Project. The PMC is providing additional design, plans, permits, and construction management for these improvements.
- The construction of the OCTA I-405 traffic operations center required additional design and coordination support to adjust to the site conditions of the existing facility and the improvements, which were not anticipated in the original LOE.

Amendment to Agreement for Program Management Consultant Services for the Interstate 405 Improvement Project from State Route 73 to Interstate 605 **Page 3**

- Additional ROW and surveying services are needed for the development of specific ROW closeout documentation that was not contemplated in the original LOE for this contract. This documentation is a requirement for ROW and utility closeout packages with Caltrans.

The cost of this amendment is included in the Project support contingency of the \$2.08 billion Board of Directors (Board)-approved Project budget.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board-approved procedures for architectural and engineering services, which conform to both state and federal laws. On December 10, 2012, the Board approved an agreement with Parsons for a term of six and a half years to provide PMC services. The contract was issued with a maximum obligation of \$57,059,657. This agreement has been previously amended as shown in Attachment A.

OCTA staff and Parsons reviewed and agreed to the LOE for the additional PMC services required through June 30, 2024. Staff found Parsons' cost proposal, in the amount of \$5,367,969, to be fair and reasonable relative to the negotiated LOE and the independent cost estimate prepared by the OCTA project management team. Proposed Amendment No. 34 to Agreement No. C-2-1513, in the amount of \$5,367,969, will bring the total contract value to \$138,170,682.

Fiscal Impact

Funding for this amendment is included in OCTA's Fiscal Year 2022-23 Budget, Capital Programs Division, account nos. 0017-9085-FK101-TZF and 0037-9018-A9510-TZF, and is funded with a combination of federal, state, and local funds.

Summary

Staff requests Board of Directors' approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 34 to Agreement No. C-2-1513 between the Orange County Transportation Authority and Parsons Transportation Group, Inc., in the amount of \$5,367,969, for additional program management consultant services, and extend the term of the agreement through June 30, 2024. This will increase the maximum obligation of the agreement to a total contract value of \$138,170,682.

Attachment

- A. Parsons Transportation Group Inc., Agreement No. C-2-1513 Fact Sheet

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